

CHAPTER 1066

STREAMLINED SALES TAX AGREEMENT — ADMINISTRATION

H.F. 2166

AN ACT relating to the administration of the streamlined sales tax agreement by the department of revenue.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 423.1, subsection 51, paragraph a, subparagraph (2), Code Supplement 2011, is amended to read as follows:

(2) The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller except as provided in paragraph “b”, subparagraphs (5) and (6), and any other expenses of the seller.

Sec. 2. Section 423.1, subsection 51, paragraph b, Code Supplement 2011, is amended by adding the following new subparagraphs:

NEW SUBPARAGRAPH. (5) Any state or local tax on a retail sale that is imposed on the seller if the statute, rule, or local ordinance imposing the tax provides that the seller may, but is not required to, collect such tax from the consumer, and if the tax is separately stated on the invoice, bill of sale, or similar document given to the purchaser.

NEW SUBPARAGRAPH. (6) Any tribal tax on a retail sale that is imposed on the seller if the tribal law imposing the tax provides that the seller may but is not required to collect such tax from the consumer, and if the tax is separately stated on the invoice, bill of sale, or similar document given to the purchaser.

Sec. 3. Section 423.31, Code 2011, is amended by adding the following new subsection:

NEW SUBSECTION. 8. Persons required to file a return under this section may instead file a simplified electronic return pursuant to section 423.49.

Sec. 4. Section 423.49, subsection 4, paragraph d, Code 2011, is amended to read as follows:

d. A model 4 seller, or a seller not registered under the agreement who is otherwise registered in the state, may elect to file a simplified return. Model 4 sellers, or sellers not registered under the agreement who are otherwise registered in the state, electing to do so shall file the first part of the return each month.

Sec. 5. Section 423.49, subsection 4, paragraph e, unnumbered paragraph 1, Code 2011, is amended to read as follows:

A model 4 seller required to register in the state, or a seller not registered under the agreement who is otherwise registered in the state, may submit the information collected in the second part of the return in one of the following ways:

Sec. 6. Section 423.52, subsection 1, Code 2011, is amended to read as follows:

1. Sellers and certified service providers using databases derived from zip codes or state or vendor provided address-based databases are relieved from liability to this state or its local taxing jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or certified service provider relying on erroneous data provided by this state on tax rates, boundaries, or taxing jurisdiction assignments. If this state provides an address-based system for assigning taxing jurisdictions, the director is not required to provide liability relief for errors resulting from reliance on the information a database derived from zip codes and provided by this state if the director has given adequate notice, as determined by the governing board, to affected parties of the decision to end this relief.

Approved April 5, 2012